

FY 2016 EGREMONT ANNUAL TOWN MEETING
FINANCE COMMITTEE REVIEW AND RECOMMENDATIONS

WARRANT ARTICLE	FINANCE COMMITTEE COMMENT	A VOTE TO OPPOSE MEANS:	A VOTE IN SUPPORT MEANS:
ARTICLE #1 Reports of Officers and Committees (\$0) (Finance Committee Recommendation: NONE)	A routine courtesy to keep you informed by your town representatives and departments.	No reports will be heard at the session.	Various reports out to the Townspeople will be made at the meeting or in the Annual Report of the Town.
ARTICLE #2 Town Budget FY2016 (\$4,058,309) (Finance Committee Recommends: Approval YES 6, NO 0)	The school portion, the largest item (\$1.7MM) is 41% of the budget, which is somewhat lower than average for many communities. Wages plus fringe for all departments in all categories (\$1.4MM) is the second largest item (32%) increasing 3.1% for all employees of the town; Fringe rises 9.25% and overall wages rise 0.9%. It is normal that personnel be a significant cost. Finance noted, however, that most full time employee salaries are rising at 2.5%, (mimicking the Collective Bargaining Agreement) except the Treasurer/Collector salary which falls 3%. Inflation for the past 12 months has been near 0% with forecasts in the 1.3% range for the future. The Finance Committee has recommended to the Selectboard that it install an annual employee performance review and merit based increase system for all remuneration in the future and cease across the board wage and salary adjustments. All other capital and cost of operations equal 27% (\$1.1MM) (See appendix worksheets.)	The budget does not meet your approval and adjustments and amendments would be needed.	You accept the judgment of the Selectboard and the management of personnel costs as recommended by the Selectboard and the Finance Committee.

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ARTICLE #3 Water Company Budget (\$64,642 Net Subsidy) (Finance Committee Recommends: Approval Yes 6, No 0)	Good progress has been made in moving forward toward a better performance; more can and must be done, but we have made a good start. Going forward this essential service needs a strategic outlook to fully leverage what it has to offer. There are capital needs and it remains to be seen how all this sorts out.	You disagree with the Water Company budget and want it revised.	You accept the judgment of the Finance Committee and the Selectboard that the budget has been reviewed and that progress, however slow, is being made to make the Water Enterprise Fund work better and be more fiscally sound.
ARTICLE #4 Pay Pete's Paving and Sweeper Service what Egremont owes them (\$2,137.50) (Finance Committee Recommends: Approval Yes 6, No 0)	The Town somehow lost an invoice. This money is owed for work done in 2014, and because its from a prior period we need 9/10 majority (to prevent any high-jinks with budgets). The Town is in arrears, and this represents a "bad debt" on the books of this provider.	You willingly jeopardize the financial credit of Egremont, and you wish to deny payment to this provider for honest work performed.	You acknowledge that Egremont made a error and we should fix it by paying our debt.
Article #5 Amend Zoning Bylaw (\$0) (Finance Committee Recommends: Approval Yes 6, No 0)	This amendment is linked to Articles #6 & #18. The Town needs to adopt a short series of conditions to be classified a Green town. Step one is to change the bylaws to allow for the possibility of a solar panel farm. This does not mean a solar panel farm will be put in town, it only allows for the possibility. Green communities are eligible for funds from the Commonwealth accrued from carbon tax credits from high carbon emitting plants (sometimes called "cap & trade" fees).	Egremont will not become classified as a Green town and will not be eligible for energy efficiency funding from the Commonwealth, leaving the money for another community to take.	With the adoption of Article #5, #6, and #18 Egremont will be eligible for funds to be used for energy efficient projects taken from funds collected from carbon emitting plants under carbon tax credit legislation.

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ARTICLE #6 Stretch Energy Code (\$0) (Finance Committee Recommends: Approval Yes 6, No 0)	This article is the second of the three steps to be a Green community. It requires contractors building structures over 3,000 square feet to comply with the energy efficiency stretch code. Many contractors already use these codes when they install energy efficient power units and insulation.	You do not support the Green community approach and you do not believe carbon tax funds are worthwhile.	You support energy efficient building code additions as part of the criteria to be a Green community and make Egremont eligible for a portion of carbon tax funds.
ARTICLE #7 Fund Pension Obligation (\$15,000) (Finance Committee Recommends: Approval Yes 5, No 0, 1Absent)	Similar to private industry, towns must recognize pension obligations in a timely manner, namely reserve for future required payments to retirees. The Finance Committee would prefer that this be an annual line item in the budget as pension obligations will not go away and should be planned on a regular basis. The Selectboard has preferred to keep these payments as special articles. In either case it is prudent to regularly reserve for future obligations.	You do not wish to fund future pension obligations, paying them as a cash expense in the year they occur. This may risk being in non-compliance with Government Accounting Standards Board 45.	You agree with reserving amounts over time to be paid out to retirees as pensions in the future.
Article #8 Friends of Prospect Lake (\$5,000) (Finance Committee Recommends: Approval Yes 5, No 0, Abstain 1)	Egremont has historically taken pride in maintaining Prospect Lake as a 'common wealth' Town resource and pitching in to help control weeds.	You think Prospect Lake maintenance should be solely for people living on or near the lake, and you do not consider Prospect Lake as a shared benefit to the Town.	You feel Prospect Lake is important and is an asset worth helping to maintain.
Article #9 Online Building Permit (\$6,350) (Finance Committee Recommends: Approval Yes 6, No 0)	This article covers a share of costs to create an online building permitting module. It is a change which is a sign of the times as more things are done with the efficiency of online applications.	You do not wish Egremont to make online permitting available.	You agree that the convenience of online permitting is appropriate and it makes sense to do it with other communities.

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ARTICLE #10 Software for Realestate & Property Tax (\$14,750) (Finance Committee Recommends: Approval Yes 6, No 0)	This is updated software to make tax planning and calculation more accurate.	You are opposed to conversion of real estate and property tax collection to an automated system.	You agree that Town tax calculation and collection should be modernized.
ARTICLE #11 Police Cruiser (\$36,000) (Finance Committee Recommends: Approval Yes 5, No 0, 1 Absent)	The Finance Committee has discussed the state of the old Explorer cruiser with Chief Shaw. The vehicle is aging and needs to be replaced. Finance is impressed with Chief Shaw's thrift in requesting a new Explorer and repurposing much of the existing cruiser features (grates, electronics, light bar, etc.), and his commitment to AWD cruisers to enable maximum response in any weather. Finance feels timely replacement of Town emergency service assets makes sense.	You do not support a new cruiser and think the existing aging Explorer should stay in service and risk the cost of repairs.	You believe the Town should renew emergency service assets.
Article #12 School House Repairs (\$58,000) (Finance Committee Recommends: Approval Yes 6, No 0)	The Egremont School is a historic building, and must be safe for school children for as long as they are attending school there.	You prefer to risk further deterioration and accept any potential safety risk to children.	The School house should be well kept and in compliance with safe structural guidelines.
Article #13 Library Repair (\$102,500) (Finance Committee Recommends: Approval Yes 6, No 0)	Similar to the school house the Library ("Mt. Everett Academy") is a National Register Historic District building and is in need of repair.	You disagree that the repairs are necessary or that they can be done in some other way or some other time.	You agree with the judgment of the Town that repairs are needed and should be done.

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ARTICLE #14 Mt Washington Bridge (\$500,000) (Finance Committee Recommends: Approval Yes 6, No 0)	The bridge to Mt. Washington must be replaced.	The Town is left with no option and would be liable for safety related issues.	Egremont recognizes the responsibility to fix the bridge and keep infrastructure in shape.
ARTICLE #15 Historic Book (\$8,048) (Finance Committee Recommends: Approval Yes 6, No 0)	As part of Egremont's heritage, historic document preservation is important.	You do not consider preservation of unique historic documents as necessary.	The Proprietors Book and School Book will be preserved.
Article #16 MACRS Historic List (\$4,000) (Finance Committee Recommends: Approval Yes 6, No 0)	The Town has a list of historic items which has become dated and is in need of revision.	You do not wish to update the historic listing.	You value the proper identification and recording of historic items in Egremont.
Article #17 Blacktop Spreader (\$18,000) (Finance Committee Recommends: Opposing Yes 0, No 5, Absent 1)	The Highway Department advises this machine helps put down quality roads. The Finance Committee agrees the machine will do the job, however, it is estimated the equipment would be used 1-2 days per month. Utilization rates this low are not cost justified. The Finance Committee believes strongly that low utilization, highly specialized assets should be jointly owned by multiple towns and that taxpayers in the interest of thrift, deserve new ways of thinking about such costs.	You believe there is a more cost effective way to partner or share limited use assets.	You prefer that the Town buy its own assets no matter how limited their use may be.

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ARTICLE #18 Solar Farm Land (\$0) (Finance Committee Recommends: Approval Yes 6, No 0)	To complete the Green Community action we need to identify a small piece of French park as part of the Solar Area. This will have no impact on French Park recreational area.	You don't support the Green Community concept or the funding from carbon taxes.	Egremont will be a Green Community with the passage of Articles #5, #6, and this article making Egremont eligible for carbon tax funds.
ARTICLE #19 Aggregate Electric(\$0) (Finance Committee Recommends: Approval Yes 6, No 0)	The idea is to aggregate all electric needs and make the discounted rate available to all town households. There is no obligation to use the low cost provider if you like what you have.	You do not want to leverage total potential electrical buying power.	You would like to try the concept and have the option to get competitive pricing.
Article #20 Fiber Optic Cable (\$2,900,000) (Finance Committee Recommends: Approval Yes 5, No 0, 1 Absent)	Fiber cables can carry huge data loads and enable high speed electronic traffic. The Berkshires is a low or no priority area for major providers to invest in the infrastructure. This article initiates the process of putting the capacity for fiber optic traffic into town.	You don't see fiber optic cables as worthwhile for the money.	Fiber optic capability will be installed through Town and high speed electronic traffic will be possible.
Article #21 Accept Funds From State (\$Funds from State) (Finance Committee Recommends: Approval Yes 6, No 0)	Every year Egremont receives funding from the Commonwealth for roads, etc. The Town must vote to accept such funding.	You reject State funds and prefer to pay for everything without any participation from Boston.	Egremont will receive all funds to which it is entitled from Boston which help defray the operating and capital costs to taxpayers.
Article #22: Hire Recycling Company (Funds budgeted) Finance Committee Recommends: Approval Yes 6, No 0)	Springfield Materials Recycling Facility Municipal agreement with Waste Management Recycle America will save Egremont 10% on Compactor operating costs.	You agree to contract with Waste Management and cut compacting costs by 10%.	You do not want to participate with the Waste Management arrangement and go it alone.

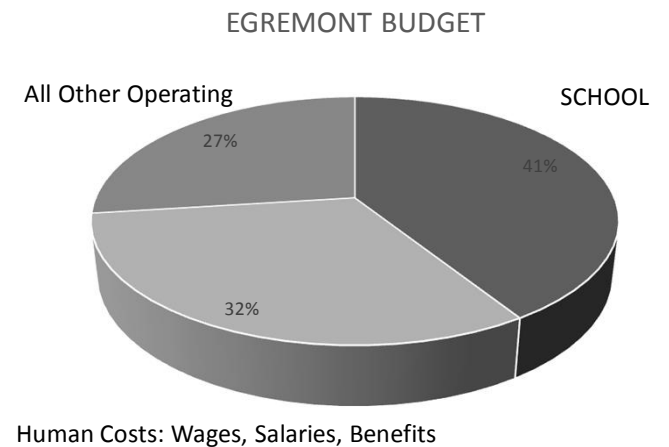
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ARTICLE #23 Revolving Funds (\$25,000) (Finance Committee Recommends: Approval Yes 6, No 0)	These funds are used for operating various programs such as composting, dogs, various inspectors not otherwise covered, recycling efforts, and French Park activities. These expenditures are expected each year.	You would cut programs at Town facilities and locations and not provide for wages for certain inspectors.	You support the usual program efforts in Egremont and except that some inspectors should be paid for their service.
ARTICLE #24 Zoning Amendment (\$0) (Finance Committee Recommends: Approval Yes 6, No 0)	This change puts ski areas like Catamount and golf courses like Egremont Country Club into a status as a regular property owner only for the purposes of having a “right” to build structures and develop projects on their land. They still need to go through all the procedures a normal property owner must, but they can claim the right to do it rather than be open to legal arbitration for nearly every action. In short, it may give a small amount of protection to some valuable employers in Town.	You don’t want to extend the status to ski areas and golf courses as having a right to do things on their property.	You value Catamount and Egremont Country Club and facilities like them as job providers and the economic activity they create, and you are willing to give them the same status as farms and regular property owners in Town.
Article #25 Selectboard Term Limits (\$0) (Finance Committee makes no recommendation of a non-financial matter)	This is a term limit of two consecutive terms (6 years) for people who serve as Selectmen. If someone serves 6 years they can return after taking a break. These types of rules are thought to encourage wider participation among people as public servants.	You think the idea of a limit is unnecessary and do not mind long serving Selectmen, and you like continuity.	You like the “6 and take-a-break” idea and the concept that this might get new people to step up.

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Appendix Worksheet

			FY 2015	FY 2016	%Change	% of Total
TOTAL BUDGET			\$ 3,760,181.00	\$ 4,058,309.00	7.9%	
Tax Levy for Water			\$ 66,048.00	\$ 64,642.00	-2.1%	2%
Adjusted Total			\$ 3,826,229.00	\$ 4,122,951.00	7.8%	100%
SCHOOL			\$ 1,392,219.00	\$ 1,670,140.00	20.0%	41%
Human Costs Sheet #1			\$ 1,298,597.00	\$ 1,338,950.00	3.1%	32%
All Other			\$ 1,135,413.00	\$ 1,113,861.00	-1.9%	27%
WARRANT ADDITIONS						
Article #7: GASB Pension				\$ 15,000.00		
Article #8: Prospect Lake				\$ 5,000.00		
Article #9: Online Bldg Permit				\$ 6,350.00		
Article #10: Property Tax Software				\$ 14,750.00		
Article #11: Police Cruiser				\$ 36,000.00		
Article #12: S Egremont School				\$ 58,000.00		
Article #13: Egremont Library				\$ 102,500.00		
Article #14: Bridge				\$ 500,000.00		
Article #15: Book Restoration				\$ 8,048.00		
Article #16: MACRS Historical List				\$ 4,000.00		
Article #17: Blacktop Spreader				\$ 18,000.00		
Article #20: High Speed Internet				\$ 2,940,000.00		
Article #23: Revolving Funds				\$ 25,000.00		
				\$ 3,732,648.00		
GRAND TOTAL OPERATING & CAPITAL FUNDING				\$ 7,855,599.00		



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Appendix Worksheet #1

TOTAL HUMAN COSTS: SALARY, WAGES, FRINGE				
	FY 2015	FY2016	% Change	
Accounting Officer	\$ 14,850.00	\$ 11,000.00	-25.93%	
Assessors Clerical	\$ 5,937.00	\$ 4,900.00	-17.47%	
Assessors Salary 1	\$ 4,725.00	\$ 4,725.00	0.00%	
Assessors Salary 1	\$ 4,725.00	\$ 4,725.00	0.00%	
Assessors Salary 1	\$ 4,725.00	\$ 4,725.00	0.00%	
Board of Health Director	\$ 23,963.00	\$ 24,562.00	2.50%	
Health Agent wages	\$ 4,422.00	\$ 4,532.00	2.49%	
Building Inspector Salary	\$ 26,418.00	\$ 27,078.00	2.50%	
Constable Salary	\$ 545.00	\$ 545.00	0.00%	
Planning Board Wages	\$ 400.00	\$ 400.00	0.00%	
Selectmans Off Admin	\$ 54,633.00	\$ 55,999.00	2.50%	
Selectman Salary 1	\$ 5,390.00	\$ 5,390.00	0.00%	
Selectman Salary 2	\$ 4,901.00	\$ 4,901.00	0.00%	
Selectman Salary 2	\$ 4,901.00	\$ 4,901.00	0.00%	
Town Clerk Salary	\$ 8,378.00	\$ 8,378.00	0.00%	
Treasurer/Collector Salary	\$ 51,857.00	\$ 50,260.00	-3.08%	
Treasurer/Collector Clerk	\$ 7,509.00	\$ 3,755.00	-49.99%	
Animal Control Officer	\$ 2,492.00	\$ 2,492.00	0.00%	
Brd of Registrars Salary	\$ 50.00	\$ 50.00	0.00%	
Compactor Operator Salary	\$ 20,230.00	\$ 20,736.00	2.50%	
Compactor Substitute Wages	\$ 4,300.00	\$ 4,300.00	0.00%	
Computer Administrator	\$ 10,000.00	\$ 10,200.00	2.00%	
Election wages	\$ 4,700.00	\$ 4,900.00	4.26%	
Inspector of Animals	\$ 500.00	\$ 500.00	0.00%	
Legal Fees	\$ 12,000.00	\$ 12,000.00	0.00%	
Moderator	\$ 224.00	\$ 224.00	0.00%	
School Crossing Guard	\$ 5,448.00	\$ 5,584.00	2.50%	
Town Engineer	\$ 5,000.00	\$ 5,000.00	0.00%	
Bldg Maintenance Wages	\$ 11,825.00	\$ 12,121.00	2.50%	
Maintenance Superintendent	\$ 47,000.00	\$ 48,175.00	2.50%	
French Park OT Wages	\$ 4,137.00	\$ 5,171.00	24.99%	
French Park Wages	\$ 11,154.00	\$ 11,433.00	2.50%	
Tree Warden	\$ 5,899.00	\$ 5,899.00	0.00%	
Const. & Maint. Wages	\$ 5,000.00	\$ 5,000.00	0.00%	
Personnel Foreman	\$ 39,527.00	\$ 40,515.00	2.50%	
Personnel Member B	\$ 36,650.00	\$ 37,566.00	2.50%	
Personnel Member C	\$ 34,645.00	\$ 35,511.00	2.50%	
Superintendent Salary	\$ 54,921.00	\$ 56,294.00	2.50%	
Librarian's Salary	\$ 19,643.00	\$ 20,134.00	2.50%	
Library Substitute Wages	\$ 1,104.00	\$ 1,104.00	0.00%	
Police Chief Salary	\$ 70,000.00	\$ 71,510.00	2.16%	
Collective Bargaining	\$ 222,658.00	\$ 227,550.00	2.20%	
Police Secrty Wages	\$ 17,083.00	\$ 17,510.00	2.50%	
Emergency Mngt Wages	\$ 2,500.00	\$ 2,500.00	0.00%	
Firefighters Stipend	\$ 26,500.00	\$ 26,500.00	0.00%	
Water Salary & Wages	\$ 54,000.00	\$ 55,000.00	1.85%	
	\$ 957,469.00	\$ 966,255.00	0.92%	
Health & Dental	\$ 202,554.00	\$ 215,000.00	6.14%	
Pension	\$ 124,774.00	\$ 144,945.00	16.17%	
Unemployment	\$ 13,800.00	\$ 10,000.00	-27.54%	
Longevity Pay	\$ -	\$ 2,750.00	na	
	\$ 341,128.00	\$ 372,695.00	9.25%	
Total All Salary Wages & Fringe	\$ 1,298,597.00	\$ 1,338,950.00	3.11%	